

Message Text

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ACTION EUR-12

INFO OCT-01 AF-10 ISO-00 CIAE-00 DODE-00 PM-05 H-01
INR-10 L-03 NSAE-00 NSC-05 PA-01 SP-02 SS-15
USIA-06 AID-05 EB-08 FRB-03 TRSE-00 XMB-02
OPIC-03 LAB-04 SIL-01 OMB-01 /098 W
-----011143 170718Z /13

R 161905Z MAR 78
FM AMEMBASSY LONDON
TO AMCONSUL DURBAN
INFO SECSTATE WASHDC 4228
AMEMBASSY PRETORIA
AMCONSUL CAPE TOWN
AMCONSUL JOHANNESBURG
USDOC WASHDC

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CAPE TOWN FOR EMBASSY

E.O.11652: N/A
TAGS: EIND, EINV, SF, UK
SUBJECT: UK COMPANY SALE OF SOUTH AFRICAN INTERESTS

REF: DURBAN 92

1. EMBASSY HAS LOOKED INTO RATIONALE BEHIND REED CORPOR
ATION'S PLANS FOR MAJOR DISINVESTMENT IN SOUTH AFRICA.
IT APPEARS TO US THAT REED'S MOTIVATION IS PREDOMINATELY
COMMERCIAL, RATHER THAN POLITICAL.
2. ACCORDING TO INDUSTRY SOURCES IN LONDON, REED
CURRENTLY HAS SIGNIFICANT LIQUIDITY AND DEBT RATIO PROB-
LEMS. TOTAL DEBT ESTIMATED TO BE APPROXIMATELY
\$450 MILLION. AS PART OF ITS SLIMMING DOWN AND RECOVERY
OPERATION, REED HAS RECENTLY BEGUN SELLING OFF HOLDINGS
IN A NUMBER OF COUNTRIES, INCLUDING CANADA, AUSTRALIA
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AND THE UK. GIVEN REED'S PROBLEMS AND THE BROAD PATTERN
OF DISINVESTMENT IN A NUMBER OF COUNTRIES, IT SEEMS THAT
THE SALE OF TWO REED FIRMS IN SOUTH AFRICA IS PRIMARILY
BASED ON COMMERCIAL NECESSITY.

BREWSTER

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: SALES, INVESTMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 16 mar 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978LONDON04280
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780118-1020
Format: TEL
From: LONDON
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780361/aaaabzgg.tel
Line Count: 61
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: c01d4bc6-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 78 DURBAN 92
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3311201
Secure: OPEN
Status: NATIVE
Subject: UK COMPANY SALE OF SOUTH AFRICAN INTERESTS
TAGS: EIND, EINV, SF, UK
To: DURBAN
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/c01d4bc6-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
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